REMARKS

Claims 1-10, 12-15, and 17-20 remain in this application. Claims 11 and 16 have been cancelled.

In order to accelerate prosecution on the merits, claims 1-10 and 12-20 have been amended to require that the advertisement is not displayed until after an adjustable predetermined time delay. This feature was disclosed in the specification as originally filed at claims 11 and 16. Accordingly, no new matter has been added.

Applicant's invention provides a system and method for placing an advertisement on the monitor of a user of a web site. Specifically, the system comprises a server connected to the Internet and at least one application logic set stored in memory on the server. The connection is a conventional wired connection as would be provided by a modem and telephone line, cable modem, T connection or the like or, alternatively, a wireless connection, such as that provided by a wireless modem, cell phone, PDA or the like. Each of the application logic sets is provided with a means for causing the browser, operating from the user's computer, to display the advertisement, after an adjustable predetermined time delay, in a non-dismissible and temporary browser window on the monitor of the user. The means for causing the browser to display an advertisement is accomplished by sending web page mark-up language code containing the advertisement. This may include HTML, Java Applets, Flash routines, or similar web page construction code. It optionally includes animation, images, and or sound. As a further option the application set includes code for a series of different advertisements. The code specifies the size and position of window as well as how long the window is viewable. The

predetermined time period within which the window is viewable can vary depending on default settings, type and length of an advertisement, site owner preference and the like. Typically the predetermined time period for viewing a window can range from about 10 seconds to 60 minutes, preferably from about 15 to 40 seconds, and most preferably from about 20 to 30 seconds. Optionally, the advertisement is delayed for period of time before being sent to the user. The system includes a web site that is provided with coded content, such as web page mark-up language, for viewing by the user, and a reference is coded within the mark-up language of at least one page of the web site. The web site may reside in memory on the server or on another remote server connected to the Internet. The reference points the browser to one of the application logic sets. Additionally, the system includes a registered user database on the server for storing user information and computing and storing the user's advertisement viewing history. When a registered user accesses the page containing the coded reference, the user's browser is caused to access an application logic set on the server, thereby triggering display of the advertisement in a temporary and non-dismissible window on the monitor of the user. The system compensates the user for receiving and viewing the advertisement, provided the user has previously registered, wherein the user compensation is provided by the advertiser. The system further compensates the web site owner on the basis of ads viewed, wherein the web site owner compensation is provided by the advertiser.

Claims 1 and 3-17 were rejected under 35 USC 103(a) as being unpatentable over US Patent 6,687,737 to Landsman et al in view of US Patent 5,855,008 to Goldhaber et al.

Landsman et al. disclose a technique for implementing in a networked client-server environment, e.g., the Internet, network distributed advertising in which advertisements are downloaded from an advertising server to a browser executing at a client computer. The advertisements are subsequently displayed interstitially in response to a click-stream generated by the user to move from one web page to another.

Goldhaber et al. provides an approach for distributing advertising and other information over a computer network. The method is said to be usable to provide direct, immediate payment to a consumer for paying attention to an advertisement or other information.

Present claims 1 and 3-17 require a system for placing an advertisement belonging to an advertiser on the monitor of a user of a web site being owned by a web site owner, compensating the user for viewing the advertisement wherein the user compensation is provided by the advertiser, and compensating said web site owner on the basis of advertisements viewed wherein the web site owner compensation is provided by the advertiser. Further, it is clear that the compensation in present claims 1-20 goes directly from the advertiser to the web site owner. It is submitted that the salient features of claims 1 and 3-17, as amended, are not disclosed or suggested by Landsman et al in view of Goldhaber et al. It is thus submitted that the subject matter of claims 1 and 3-17 is novel over Landsman et al. in view of Goldhaber et al.

Applicant's invention, as recited by present claims 1-20 has several advantages over any system taught by the prior art. In particular, present claims 1-20 require a system for placing an advertisement belonging to an advertiser on the monitor of a user of a web site being owned by a web site owner, compensating the user for viewing the advertisement wherein the user compensation is provided by the advertiser, and compensating said web site owner on the basis of advertisements viewed wherein the web site owner compensation is provided by the advertiser. This encourages the users to view the advertisements because they are compensated if they have registered; this also provides much needed revenue directly to high and moderate volume web site owners; and this benefits the advertisers because they are billed on the basis of actual advertisement viewing, not estimated user statistics. Therefore, the present invention defined by present claims 1-20 provides an advertising system that significantly benefits each of the web site owner, the advertiser and the advertisement viewer. Applicant submits that the combination of Landsman et al. in view of Goldhaber et al. does not disclose an advertising system wherein the advertiser compensates both the user and the web site owner on the basis of the advertisements viewed.

The Examiner has stated that Goldhaber et al. teaches an arrangement where, in addition to compensating the ad-viewing user, the provider of the user-desired content is also compensated for the advertisement sponsored content [fig 6, col 12 lines 2-18]. Applicant submits the following remarks. Goldhaber et al. teaches that "Advertisers 62 can directly compensate consumers 64 via payment 60(a) for viewing and paying attention to

their advertisements 68. Consumers 64 can use this payment 60(a) to compensate information provider 66 via another payment 60(b) for providing entertainment or other information 70 the consumer wishes to access" (emphasis added). See Golhaber et al. at Col. 12, lines 5-11. First, there is no assurance that the information provider will receive compensation when a user views an advertisement because the payment 60(b) is not directly related to the act of the users 64 viewing of the advertisements 68. That is, once the ad viewer 64 receives compensation 60(a) from the advertiser 62 for viewing the advertisement 68, the ad viewer 64 is free to use that compensation 60(a) for whatever he desires. There is no guarantee that the ad viewer 64 will use the compensation 60(a) to compensate the information provider 66. Therefore, Goldhaber does not disclose or suggest a system that compensates both the consumer and the information provider at the same time.

More significantly, nowhere in the combined teachings of Landsman et al. and Goldhaber et al. is there any teaching or suggestion for a system comprising means for compensating said web site owner on the basis of advertisements viewed wherein the web site owner compensation is provided by the advertiser. Goldhaber et al. explicitly teaches that it is the consumer 64 and not the advertiser 62 who can use the payment 60(a) to compensate the information provider 66. Therefore, such compensation to the information provider 66, if any, is not related to the number of advertisements viewed. By way of contrast, present claims 1-20 require that the web site owner compensation be provided by the advertiser. Further, present claims 1-20 require that the web site owner compensation be

on the basis of advertisements viewed. Compared with any system or method disclosed by the combination of Landsman et al. and Golhaber et al., the system and method disclosed by present claims 1-20 is more advantageous to web site owners because they are compensated by the advertisers rather than the ad-viewing users; and it is more advantageous to advertisers because they are billed on the basis of actual advertisement viewing, not estimated user statistics.

Further, applicant submits that the combination of Landsman et al. in view of Goldhaber et al. does not disclose an advertising system wherein the advertiser compensates both the user and the web site owner. Although Goldhaber does teach compensation, there is no disclosure or suggestion of compensating both the user and the information provider 66 at the same time. Instead, Goldhaber teaches the compensation, by the advertisers, of only the information provider 66 at Fig. 5, col. 11, lines 59-67. Further, Goldhaber teaches the compensation, by the advertisers, of only the consumers 64 at Fig. 6, col. 11, line 67 to col. 12, line 14. The Examiner states that Goldhaber et al. also teaches an arrangement where in addition to compensating the ad-viewing user, the provider of the user-desired content is also compensated for the advertisement sponsored content [fig 6, col 12 lines 2-18]. Applicant submits that clearly the Goldhaber disclosure teaches that the provider of the user-desired content is compensated only for the delivery of information content (i.e. television show, movie, radio show, etc.). Therefore, the information provider 66 is not compensated for delivering advertisements to the consumer, because the advertisement 68 is completely

separate and apart from and is not linked with the content 70 provided by the information provider 66. See Fig. 6 of Goldhaber. Applicant submits that Golhaber teaches away from the compensation of both the consumer and the information provider at the same time. Such an advertising system may be thought to be unfavorable to the advertiser because of the need to compensate two separate parties: the web site owner and the user. However, applicant has found the unexpected result that such a system actually benefits the advertiser because it provides a clear incentive for both the web site owner to deliver the advertisement to its visitors, and also for the user to register with the system and view the advertisement. Further, it is clear that the compensation in present claims 1-20 goes directly from the advertiser to the web site owner. Therefore, applicant respectfully submits that there is no teaching, suggestion, or motivation provided by Goldhaber to modify the Landsman disclosure so that the web site owner is compensated for delivering advertisements to the users.

The Examiner has stated that Official Notice is taken that web site content owners hosting advertisements typically receive direct payment from the advertiser as a way of earning revenue. Applicant respectfully traverses this Official Notice. However, even assuming this is the case, applicant submits that there is still no motivation to modify Landsman so that both of the user and the web site owner are compensated when a user views an advertisement. The Official Notice further fails to address the feature of present claims 1-20 that requires that the compensation of the web site owner be on the basis of

advertisements viewed. Further, applicant respectfully submits that the Examiner has not established a motivation to modify the Landsman reference in order to provide compensation to both the web site owner and the user at the same time for the viewing of the advertisements. Applicant submits that such motivation can only come from the applicant's own disclosure in the present application. Therefore, applicant respectfully submits that a prima facie case of obviousness has not been established against present claims 1-20 because Landsman in view of Goldhaber does not teach or suggest an internet advertising system wherein a web site owner displays an advertisement to a user, and in exchange the advertiser compensates both (i) the user; AND (ii) the web site owner on the basis of advertisements viewed.

Further, present claims 1 and 3-17 require that *the advertisement is not displayed until after an adjustable predetermined time delay.* This feature was set forth in previous claims 11 and 16. The Examiner has stated the following: "Regarding claims 11, 15, and 16, the ad display is programmed to be delayed until the user transitions to a subsequent page. Further, Landsman et al teaches ads that sleep for a predetermined time period before they are shown again [32:25-33]."

Applicant respectfully traverses this argument. The Examiner has relied on a specific embodiment taught by Landsman et al. which is referred to as "timer-based ad play", and is described as follows: "Timer-based ad play utilizes a separate thread that continuously loops to: obtain an AdDescriptor file from the play queue; display that advertisement using a

player and player thread; and sleep for a specified amount of time before repeating this sequence. Timer-based ad play is also interruptible and restartable upon user-demand. The result of this type of advertisement play is that the user will periodically view advertisements delivered at regular time intervals rather than by user initiated events." (emphasis added). See Landsman et al. at col. 32, lines 25-33. The following arguments are respectfully submitted regarding the "timer-based ad play" embodiment of Landsman et al.

First, Landsman et al. does not teach the limitations of claims 1 and 3-17 which require that the advertisement is not displayed until after an adjustable predetermined time delay. In other words present claims 1 and 3-17 require the following sequence: (i) first, the user accesses a web site; (ii) then, an adjustable predetermined time delay occurs; and (iii) finally, the advertisement is displayed. By way of comparison, it is clear that Landsman et al. sleeps for a specified amount of time after the advertisement has already been displayed. (See Landsman et al. at col. 32, lines 25-33). That is, the first time that Landsman et al. visits a web site pointing to an advertisement, the system *immediately* displays the advertisement, and there is no time delay prior to the advertisement being displayed.

Second, the particular embodiment relied on by the Examiner teaches away from the limitations of present claims 1 and 3-17 because this embodiment teaches that the advertisement is interruptible and restartable upon user-demand. On the other hand, present claims 1 and 3-17 require that the advertisements are non-dismissible.

Third, applicant's invention provides several advantages over the system disclosed by Landsman et al. in view of Golhaber et al. For example, the user is able to readily navigate quickly through several web sites without the advertisement being displayed, if he so chooses. The advertisement is only displayed to the user if he has remained at a particular web site for a time period which is longer than the adjustable predetermined time delay. At that point, the user would have already made a conscious decision to remain at that particular web site and view its contents. The user will be in a focused state of mind and will be more receptive to the advertisement at that point in time, as compared to situations where the user is simply clicking through various web sites, and is not focused on any one particular web site; and would likely be annoyed when confronted continuously with advertisements that pop-up immediately, before site acclimation has been achieved.

In view of the amendment to claims 1 and 3-17 and the foregoing remarks, it is submitted that claims 1 and 3-17 are novel over Landsman et al. in view of Goldhaber et al.

Accordingly, reconsideration of the rejection of claims 1 and 3-17 under 35 USC 103(a) as being unpatentable over Landsman et al. in view of Goldhaber et al. is respectfully requested.

Claims 2 and 18-20 were rejected under 35 USC 103(a) as being unpatentable over US Patent 6,687,737 to Landsman et al. in view of US Patent 5,855,008 to Goldhaber et al and US Patent 5,854,897 to Radziewicz et al.

Radziewicz et al. discloses a communications marketing system, which allows a client station accessing a computer network through a Network Service provider to receive advertisements whenever the connection path between the client station and the Service Provider is idle.

As amended, claim 1 (and claims 2 and 20 dependent thereon) requires a system, for placing an advertisement belonging to an advertiser on the monitor of a user of a web site being owned by a web site owner and compensating said user for viewing said advertisement and compensating said web site owner on the basis of advertisements viewed. Upon access by said user of said page containing said coded reference, the reference is caused to access its application logic set, triggering display of said advertisement in a temporary and non-dismissible window on said monitor for a predetermined time period. The user is compensated for receiving and viewing said advertisement, provided the user has previously registered. User compensation is provided by the advertiser and the web site owner is compensated on the basis of advertisements viewed. The web site owner compensation is provided by the advertiser. It is submitted that the salient features of claims 2 and 20, as amended, are not disclosed or suggested by Landsman et al. in view of Goldhaber et al and Radziewicz et al. It is thus submitted that the subject matter of claims 2 and 20 are novel over Landsman et al. in view of Goldhaber et al and Radziewicz et al.

As amended, claims 18 and 19, respectively, require a method for advertising to a user of a web site having at least one page containing a coded reference. Each respective

claim, as amended, recites the step of compensating the user for receiving and viewing the advertisement provided the user has previously registered wherein the user compensation is provided by the advertiser, and compensating said web site owner on the basis of advertisements viewed wherein the web site owner compensation is provided by the advertiser. It is submitted that the salient features of claims 18-19, as amended, are not disclosed or suggested by Landsman et al. in view of Goldhaber et al and Radziewicz et al. It is thus submitted that the subject matter of claims 18-19 is novel over Landsman et al. in view of Goldhaber et al and Radziewicz et al.

Reference is made to the previous arguments, hereinabove, which clearly show that Landsman et al. and Golhaber et al. do not disclose or suggest a system for placing an advertisement on the monitor of a user of a web site being owned by a web site owner and for compensating said web site owner on the basis of advertisements viewed wherein the web site owner compensation is provided by the advertiser. Further regarding the Radziewicz et al. reference, it is submitted that nowhere in the Radziewicz et al. reference is there any disclosure or suggestion for the same. Applicant acknowledges that Radziewicz et al. indeed disclose measuring the user's connection speed to select a particular format for the advertisements. However, it is respectfully submitted that the Radziewicz et al. reference is devoid of disclosure wherein the advertiser directly compensates the user and the web site owner on the basis of advertisements viewed, as called for by amended claims 2 and 18-20. For these reasons, it is submitted that the system of claim 2 and the method of claims 18-20 provide, in reality, a much more workable solution. They more reliably effectuate the advertiser's objectives, and

provide a higher degree of probability that advertisements will be viewed, by providing greater assurance that each of the user and website owner will be compensated.

Further reference is made to the previous arguments, hereinabove, which clearly show that Landsman et al. and Golhaber et al. do not disclose or suggest a system wherein the advertisement is not displayed until after an adjustable predetermined time delay.

Accordingly, reconsideration of the rejection of claims 2 and 18-20 under 35 USC 103(a) as being unpatentable over Landsman et al. in view of Goldhaber et al. and Radziewicz et al. is respectfully requested.

Claims 1 and 3-17 were alternatively rejected under 35 USC 103(a) as being unpatentable over US Patent 6,687,737 to Landsman et al in view of US Patent 5,933,811 to Angles et al.

Angles et al. disclose a system and method for delivering customized electronic advertisements in an interactive communication system. The customized advertisements are selected based on consumer profiles and are then integrated with offerings maintained by different content providers. The preferred interactive communication system interconnects multiple consumer computers, multiple content provider computers and multiple Internet provider computers with an advertisement provider computer. Whenever a consumer directs one of the consumer computers to access an offering existing in one of the content provider computers, an advertising request is sent to the advertisement provider computer. Upon

receiving the advertising request, the advertising provider computer generates a custom advertisement based on the consumer's profile. The custom advertisement is then combined with the offering from the content provider computer and displayed to the consumer. The advertisement provider computer also credits a consumer account, a content provider account and an internet provider account each time a consumer views a custom advertisement. Furthermore, the advertisement provider computer tracks consumer responses to the customized advertisements.

Present claims 1 and 3-17 require that the advertisement is not displayed until after an adjustable predetermined time delay. This feature was set forth in previous claims 11 and 16. The Examiner has stated the following: "Regarding claims 11, 15, and 16, the ad display is programmed to be delayed until the user transitions to a subsequent page. Further, Landsman et al teaches ads that sleep for a predetermined time period before they are shown again [32:25-33]."

Applicant respectfully traverses this argument. The Examiner has relied on a specific embodiment taught by Landsman et al. which is referred to as "timer-based ad play", and is described as follows: "Timer-based ad play utilizes a separate thread that continuously loops to: obtain an AdDescriptor file from the play queue; display that advertisement using a player and player thread; and sleep for a specified amount of time before repeating this sequence. Timer-based ad play is also interruptible and restartable upon user-demand. The result of this type of advertisement play is that the user will periodically view advertisements

delivered at regular time intervals rather than by user initiated events." (emphasis added). See Landsman et al. at col. 32, lines 25-33. The following arguments are respectfully submitted regarding the "timer-based ad play" embodiment of Landsman et al.

First, Landsman et al. does not teach the limitations of claims 1 and 3-17 which require that the advertisement is not displayed until after an adjustable predetermined time delay. In other words present claims 1 and 3-17 require the following sequence: (i) first, the user accesses a web site; (ii) then, an adjustable predetermined time delay occurs; and (iii) finally, the advertisement is displayed. By way of comparison, it is clear that Landsman et al. sleeps for a specified amount of time after the advertisement has already been displayed. (See Landsman et al. at col. 32, lines 25-33). That is, the first time that Landsman et al. visits a web site pointing to an advertisement, the system *immediately* displays the advertisement, and there is no time delay prior to the advertisement being displayed.

Second, the particular embodiment relied on by the Examiner teaches away from the limitations of present claims 1 and 3-17 because this embodiment teaches that the advertisement is interruptible and restartable upon user-demand. On the other hand, present claims 1 and 3-17 require that the advertisements are non-dismissible.

Third, applicant's invention provides several advantages over the system disclosed by Landsman et al. in view of Angles et al. For example, the user is able to readily navigate quickly through several web sites without the advertisement being displayed, if he so chooses. The advertisement is only displayed to the user if he has remained at a particular

web site for a time period which is longer than the adjustable predetermined time delay. At that point, the user would have already made a conscious decision to remain at that particular web site and view its contents. The user will be in a focused state of mind and will be more receptive to the advertisement at that point in time compared to the situation where the user is simply clicking through various web sites and is not focused on any one particular web site.

In view of the amendment to claims 1 and 3-17 and the foregoing remarks, it is submitted that claims 1 and 3-17 are novel over Landsman et al. in view of Angles et al.

Accordingly, reconsideration of the rejection of claims 1 and 3-17 under 35 USC 103(a) as being unpatentable over Landsman et al. in view of Angles et al. is respectfully requested.

Claims 2 and 18-20 were rejected under 35 USC 103(a) as being unpatentable over US Patent 6,687,737 to Landsman et al. in view of US Patent 5,933,811 to Angles et al and US Patent 5,854,897 to Radziewicz et al.

Reference is made to the previous arguments, hereinabove, which clearly show that Landsman et al. and Angles et al. do not disclose or suggest a system wherein the advertisement is not displayed until after an adjustable predetermined time delay.

Accordingly, reconsideration of the rejection of claims 2 and 18-20 under 35 USC 103(a) as being unpatentable over Landsman et al. in view of Angles et al. and Radziewicz et al. is respectfully requested.

CONCLUSION

In view of the amendments to the claims and the foregoing remarks, it is respectfully submitted that the present application has been placed in allowable condition. Entry of this amendment, reconsideration of the rejections set forth in the Office Action dated January 2, 2008, and allowance of claims 1-10, 12-15, and 17-20, as amended, are earnestly solicited.

Respectfully submitted,

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